



NEWS TO USE

A newsletter for PERSI Employers

September 2002

- Who to call for help
- SSNs removed to help prevent identity theft

PERSI has removed Social Security numbers from statements to help protect from identity theft

Identity theft is serious, and we are just as concerned about it as you are. People are increasingly protective of personal information such as Social Security numbers (SSNs), and rightly so.

At PERSI, we have taken steps to help ensure the safety of member SSNs and other data.

Choice Plan 401(k) Statements

You may have noticed that your Choice Plan quarterly statements no longer contain SSNs. We instead have assigned you a random Employee Number. This is a six-digit number found to the right of your name and address on page one of the statement.

Base Plan Statements

This year, for the first time, Base Plan Annual Statements will not have SSNs. They will also have the same randomly assigned Employee Number.

Document Shredding

For more than a decade, PERSI has utilized a records disposal service that shreds all documents we discard that may contain any personal data.

However, even with these precautions, PERSI does still need

to use SSNs for IRS and administrative purposes.

Therefore, we will still require that you provide it on forms and for payroll reporting. We will also continue to require SSNs over the phone if members call in for information. We will also continue to require SSNs for spouses and/or beneficiaries to ensure any Death Benefits are paid to those intended to receive them.

Without SSNs, PERSI would not be able to report pension information to the Internal Revenue Service, and this could result in adverse tax consequences for members.

PERSI will not disclose SSNs to any individual or organization unless the member provides authorization, or as required by law. We will use SSNs only to collect and administer information about PERSI accounts and to make reports to the IRS on distributions or withholdings.

Disclosure of Social Security Numbers is mandated by Internal Revenue Code 26 United States Code 6047(D), 6041(A) and 6109(A)(3) authorize PERSI to ask for and utilize SSNs.

Who to call at PERSI for help

Got a PERSI question? Feel free to call us and we'll be happy to help you. Here's a list of who to call. All of these people are in our Boise office at 1-800-451-8228 or 208-334-3365.

QUESTIONS ABOUT	CALL	EXT
Account Balances	Karen	264
Annual Statements	Judy S	250
Applying for Retirement	Judy S	250
Beneficiary Info	Heidi	221
Choice Plan 401(k)	Janelle	294
Deaths	Marian	226
Divorce	Melody	225
Estimates	Judy S	250
Forms Needed	Catherine	227
Insurance	Carrie	265
Retirees	Lenna	240
Repayments		
To Set Up	Catherine	227
Balance Remaining	Jaime	247
Separation Benefits	Margi	295
Sick Leave	Carrie	265
Transmittals	Debbie	256
Workshops/Training	Maxine	291

Or, call our other offices:

Pocatello 1-800-762-8228 or 208-236-6225

CDA 1-800-962-8228 or 208-769-1474

Choice Plan balances under \$200 to be automatically paid to terminated/retired members

Effective immediately, the PERSI Choice Plan will begin making distributions to INACTIVE members 90 days after their termination/retirement IF their account balance is \$200 or less.

No taxes will be taken out of the distribution; however, the member will receive a 1099R form that he/she will need to file with his/her taxes in the year the distribution takes place. Upon receipt of the check, the member will have 60 days to roll this distribution check into an IRA or other eligible retirement plan to avoid any tax consequences. However, if the member chooses to cash the check, he/she will be responsible for any applicable federal taxes and a possible 10% penalty.

Mellon HR Solutions, our Choice Plan record keeper, currently sends a termination confirmation notice upon notification of a member's termination or retirement that covers distribution options, and this information will be included on that notice as well.

If members have more than \$200 in their Choice Plan account, it will not be distributed unless the member completes a Distribution/Rollover form. Inactive members may also choose to leave their money in the plan until age 70 1/2, when they would be required to begin taking minimum distributions.

Accounts for inactive members are charged \$2.50 per month for record keeping fees.

403(b), 457 and IRA rollovers into the Choice Plan allowed for active and inactive members

Since January of 2002, the Choice Plan has allowed **active** members to rollover funds from pre-tax IRAs and 403(b) and 457 plans from previous places of employment, into the Choice Plan 401(k).

Beginning in October 2002, the plan will allow **inactive** members to roll money into the Choice Plan from their other eligible retirement plans, as long as they had established a Choice Plan account while still employed.

If you know of any active or inactive members who are interested in doing this, please have them contact PERSI for a rollover form.

Get address changes in so that handbooks, Base Plan annual statements go to member homes instead of to you

In September, PERSI will be mailing new Member Handbooks to all active members. And from September to November we will be mailing Base Plan Annual Statements to members.

To ensure these get mailed to your employees' home addresses instead of to YOU for distribution, please make sure PERSI has correct addresses on file.

For more information on address changes, see the February 2002 and October 2001 issues of News to Use, and/or our Transmittal Reporting Manual. All are available on-line at www.persi.state.id.us under Employer Information.

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